PRESENTATION by MAGGIE AHMAOGAK to the OCS POLICY COMMITTEE

May 14, 2003

Good Morning. My name is Maggie Ahmaogak. I am the Executive Director of the Alaska Eskimo Whaling Commission (AEWC). George Ahmaogak, Sr., Mayor of the North Slope Borough, is my husband. He also is a very successful bowhead whale subsistence captain, and together we have had the honor of feeding the entire Village of Barrow many times during the bowhead subsistence hunt. My father, Arnold Brower, Sr., also is a very successful bowhead subsistence captain and continues to hunt even though he has reached a very respectable age.

First, let me give you a brief history of the AEWC.

The AEWC is a not-for-profit entity organized in the late 1970's for the purpose of protecting the bowhead whale subsistence hunt and the traditional culture of our ten member villages. The culture and the social structure of our Inupiat and Siberian Yupik communities are built around the annual subsistence harvest of the Bering-Chukchi-Beaufort Seas stock of bowhead whales. Because of its size, the whale also comprises an important nutritional component of our diet.

The AEWC originally was formed for the purpose of representing our bowhead subsistence hunters on issues related to the

International Whaling Commission's regulation of our bowhead hunt. Under this international regulatory regime, the IWC sets an annual limit, or quota, on the number of bowhead whales our community can take.

The IWC quota is administered domestically by the U.S. Department of Commerce/National Marine Fisheries Service. The AEWC regulates the hunt locally through a Cooperative Agreement with the Department of Commerce.

Because of ice, sea, and weather conditions, we cannot always land every whale we strike. Therefore, as part of the IWC regime, each year we must report an efficiency rate – the percentage of whales landed from the total number of whales struck. Every whale that is "struck but lost" during the hunt reduces the efficiency rate for that year. If our efficiency rates drop, we face the possibility that the IWC may try to reduce our quota.

As you can see, since the late 1970's, we have been forced to hunt and to try to take our most precious subsistence resource under a very strict regulatory regime by which a federal agency – the Department of Commerce – tells us how many whales we are allowed to try to take each year. And any whale that is struck but lost for any reason is counted against our present hunt, and possibly against our ability to continue hunting in the future.

At the same time, we have another federal agency – the Department of the Interior – that is selling the ocean where we hunt for our whales and many of our other subsistence resources.

These lease sales conducted by MMS have brought industrial activities into the waters that have fed our people for thousands of years.

In the 1980's, as part of its mandate to protect the bowhead subsistence hunt, the AEWC became actively involved in consultations on state and federal offshore oil and gas exploration and development in the Beaufort and Chukchi Seas.

Migrating bowhead whales are very sensitive to noise in their environment. In the mid-1980's, our captains began to see that the fall migrating whales became very "skittish" or even disappeared when industrial activities were taking place, especially seismic operations.

We found ourselves caught between the conflicting interests of our two federal agencies – Commerce and Interior. When industrial noise, permitted by MMS, interferes with our hunt and causes us to lose a whale, the Department of Commerce deducts that whale from our IWC quota for the year and factors it into our efficiency rate that is then reported to the IWC.

Therefore, in the mid-1980's, working with our fall subsistence captains, the North Slope Borough, and industry operators, the AEWC began to develop a private agreement for traffic and noise abatement that is now known as the annual "Open Water Season Conflict Avoidance Agreement."

The mitigation measures contained in this agreement are based on the traditional knowledge of our captains and the results of independently peer reviewed industry noise monitoring studies, which are now required by Commerce and MMS.

Noise monitoring studies conducted in 1996 through 1998 clearly confirmed the reports from our captains that industrial noise – especially seismic – was causing the bowhead migration to deflect a very significant distance offshore.

We now have the first-ever oil production unit in the Arctic Ocean, operated by British Petroleum at Northstar.

In reviewing the OPA '90 amendments to see what recourse our subsistence community might have in the event of an oil spill, we found that OPA '90 only provides for monetary damages, based on proof from subsistence hunters that they have incurred monetary loss.

Yet, subsistence, by definition, is a non-monetary activity. Therefore, the OPA '90 amendments are of very limited value to us.

Once again, the AEWC, with the political support of the North Slope Borough, was forced to take the self-help approach to protecting our people from the adverse impacts of offshore industrial activities.

In 2000 we started negotiations with British Petroleum to create a mechanism that would serve as an oil spill insurance policy for our community, and that would provide appropriate measures to assist us in dealing with adverse impacts to our subsistence resources and hunting in the event of a significant offshore discharge.

The outcome of these private negotiations was the development of another private agreement, known as the "Good Neighbor Policy." It provides resources to relocate our subsistence hunters to alternate hunting areas or to provide temporary food supplies if an oil spill or other discharge adversely affects our ability to take our marine subsistence resources.

British Petroleum now has a Good Neighbor Policy in place for Northstar and Encana put one in place for McCovey.

It is very hard for us to keep ahead of the curve, however.

Our state government has just passed a bill that substantially revises Alaska's Coastal Zone Management Plan. This has been a very controversial process. And we will have to work hard at the state level to ensure that the North Slope Borough retains its local regulatory authority as the new legislation is implemented in practice.

The Borough's local regulatory authority has been critical to our self-help efforts.

We also have heard recently that British Petroleum is planning a new offshore oil production facility at Liberty.

At the same time, MMS has proposed, in its Final Environmental Impact Statement for the Beaufort Sea Planning Area, to open our subsistence hunting deferral

areas to oil and gas exploration and development, beginning with the planned Lease Sale 186.

We are very concerned with this proposed sale. The potential effect of opening the entire range of our subsistence hunting areas to oil and gas leasing is a critical issue for our North Slope residents. Yet MMS's analysis for the EIS fails to address this concern in any meaningful way. In particular, MMS does not offer an alternative, in the EIS, that includes all of the past deferral areas.

In fact, there is no meaningful difference among the EIS alternatives with respect to this critical issue, raising a significant question regarding the legal adequacy of this EIS under the National Environmental Policy Act.

And now, finally, we are seeing increasing oil and gas interest in and decreasing protection for the area around Cross Island. This area is directly in the path of the fall bowhead whale migration and in the midst of the area where the Village of Nuiqsut conducts its fall bowhead whale subsistence hunt.

We believe in making use of natural resources. However, we need for those from outside our community be aware that North Slope OCS development means that our small community of traditional subsistence hunters is bearing a very large burden of risk to our environment and adverse impacts to our traditional culture.

I want to be very clear here. Our community has benefitted greatly from the modern technology and conveniences that oil revenues have brought to our villages. The AEWC supports local hire programs, such as those advocated by Mayor Ahmaogak and

undertaken by Encana, as well as BP. However, we are also very aware of the fact that the oil revenues and the oil-related jobs will not last forever.

If our children and grandchildren are to survive in the Arctic, they will have to be able to rely on subsistence resources and hunting skills. Therefore, for those of us who are in leadership positions during this period of oil and gas activity, it is our responsibility to keep the adverse impacts of oil and gas development from causing long term harm to our arctic environment and to our traditional subsistence culture.

We asked to be given the opportunity to speak to you, the members of the OCS Policy Committee, at this time because we believe that you are in a position to facilitate our work.

First, we have demonstrated our willingness to use private negotiations, where possible, as a means of developing creative solutions to impact mitigation issues.

We ask that you be open to continuing to learn about this work and to encouraging MMS to adopt the mitigation measures that we develop through these self-help efforts.

Second, in recent years, we have begun to develop a positive working relationship with representatives of the MMS Regional Office in Anchorage.

In the spirit of yesterday's discussion on consensus-building, we ask that you support us in encouraging the MMS offices here in

Washington to recognize and give deference to the recommendations that come out of our deliberations in Alaska.

Third, given the serious issues I have noted with the EIS for the Beaufort Sea Planning Area, and with proposed Lease Sale 186, we have asked Mayor Ahmaogak to propose that this Committee ask the Secretary to maintain the Beaufort Sea deferral areas in the upcoming lease sale.

Finally, the self help measures I have described to you today – including the creation of the Open Water Season Conflict Avoidance Agreement and the Good Neighbor Policy – were developed without financial or substantive assistance from the federal government.

In fact, until the current fiscal year, the only federal funding available to the AEWC came through the Department of Commerce to help support our work at the International Whaling Commission. In essence, the OCS activities have caused us to be confronted with unfunded mandates created by the actions of the two agencies – Commerce and Interior.

Through the kind support of Senator Ted Stevens, the AEWC received funding from the Department of the Interior for fiscal year 2003 to help offset some of the costs we incur in our work on OCS issues.

Again, we have asked Mayor Ahmaogak to propose that this Committee ask the Secretary to make this fiscal year 2003

appropriation a permanent part of the Department of the Interior's budget request.

I hope we can rely on you for assistance with these requests. And I will be happy to answer any questions you might have.

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